

E-MAIL ALPERSRU A/98

SUBJ: BASIC ALLOWANCE FOR HOUSING (BAH)

Ref: (a) ALCOAST 104/97  
(b) COMDTINST M7220.29 (series), U. S. Coast Guard Pay Manual, Section 3-D

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Introduction Per reference (a), HRSIC has modified programming which will allow the payment of the new Basic Allowance For Housing (BAH) entitlement. This ALPERSRU provides background information on these changes and provides specific details as to their impact on PMIS/JUMPS.

Effective 1 January 1998, Variable Housing Allowance (VHA) and VHA offset will no longer exist. However the segments (34/35), logic, and pay tables once used to pay VHA in 1997 will now be used to pay BAH in 1998. BAH, like VHA, is based on zip code area. Thus a BAH transaction will require the same data once required by a VHA transaction, with the exception of housing costs.

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Entitlement Name Changes Effective 1 January 1998, the following entitlement name changes apply:

OLD ENTITLEMENT	ENTITLEMENT'S NEW NAME
BAQ/VHA	BAH
BAQ	BAH Type II
BAQ Partial	BAH Partial
BAQ Child	BAH Diff
FSA-I	FSH (Family Separation - Housing)

The member's January LES will reflect these changes. Procedure manuals will be updated as soon as possible.

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Object Codes Here are the new object codes which will appear within BAH segments 34 and 35. Object codes for the remaining BAH entitlements (in segments 17, 18, and 19) will remain the same.

ENTITLEMENT	OBJECT CODE
Officer BAH With	1140G
Enlisted BAH With	1140G
Of ficer BAH Without	1140H
Enlisted BAH Without	1145H

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Impact on Segments Based on the entitlements a member is receiving as of 31 December 1997, the table below reflects what a member will receive on 1 January 1998. As part of the January 6th update cycle, HRSIC will close and open the segments indicated in parenthesis in the following table

SEGMENTS CLOSED AS OF 12/31/1997	SEGMENTS OPENED AS OF 1/1/1998
BAQ W, VHA W (17, 34)	BAH W (34)
BAQ W/O, VHA W/O (18, 35)	BAH W/O (35)
BAQ W, OHA W (17, 46)	BAH TYPE II W, OHA W (17, 46)
BAQ W/O, OHA W/O (18, 46)	BAHTYPE II W/O, OHA W/O (18, 46)
BAQ GRANDFATHERED (17)	BAQ GRANDFATHERED (17)
BAQ CHILD (19)	BAH DIFF (19)
BAQ W/O, VHA W/O, BAQ CHILD 18,35,19	BAH W/O, BAH DIFF (35, 19)
BAQ GRANDFATHERED, VHA W/O (17, 35)	BAH W (34)
BAQ GRANDFATHERED, OHA W/O (17, 46)	BAQ GRANDFATHERED, OHA W/O (17, 46)
BAQ W, VHA W, OHA W/O, FSA-I (17,34,46,21)	BAH W, OHA W/O, FSH (34,46,21)

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#### BAH Type II Entitlement

The old BAQ entitlement, now called BAH Type II, will be paid to the following members in 1998:

--- Reserve members serving on active duty for less than 140 days.

--- Members entitled to OHA while not being entitled to FSH.

- --- Dislocation Allowance, Saved Leave Balance, and Earned Income Credit will be based on
  - BAH Type II.
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#### Grand fathered BAQ (Child)

Effective 1 January 1998, once members receiving Grandfathered BAQ for child support are transferred to a new Military Housing Area (MHA), they will lose the grandfathered amount. At the new MHA they will receive BAH Without and BAH Diff if living on the economy or only BAH Diff if assigned government quarters.

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#### Members Assigned Quarters

Members assigned adequate or inadequate quarters will see a credit for BAH Type II and a debit for quarters assigned on their LES. Segment activity will remain the same.

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#### BAH and Reporting 8Cs

Like VHA in the past, a reporting 8C will stop BAH. One change, however, is that BAH is not subject to checkage for travel time (like VHA was). PERSRUs must be timely with their P606 submissions to start BAH based on the new duty location. Timely submission is emphasized since BAH replaces two former entitlements (BAQ/VHA) and significant pay impact will result if transactions are not submitted promptly.

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#### SDA II Changes

SDA II Version 2.1h will be released 6 January 1998 containing program modifications that will give users the ability to enter BAH transactions (with effective dates on or after 1 January 1998) as well as BAQ/VHA or VHA Offset transactions (with effective dates prior to 1 January 1998). PERSRUs may load the software upgrade after the last transmittal has been sent for the 6 January 1998 final update.

When completing a Start/Change BAH, BAQ, VHA, and/or Quarters Assignment transaction (P606), with an effective date on or after 1 January 1998, users will only be allowed to enter one of the four valid BAH codes of G, H, L, or R and be prompted to enter a BAH zip code. The definitions for the BAH codes correspond to the old BAQ codes as listed on page VI-62 of the PMIS Forms Guide.

When completing a P606 with an effective date prior to 1 January 1998, users will be allowed to enter valid BAQ codes and given access to VHA or VHA Offset fields for retro transactions.

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Retro  
Transactions

Any transactions with a 1997 effective date which can impact a members BAQ or VHA (P608, P606, P555, L45, 8C, etc.) will be placed on the PERSRU's exception report. HRSIC (MAS) will manually process these transactions. No penalty will be charged to the PERSRU if the transaction is within the retro period.

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Inadequate  
Quarters  
Checkage  
for 1998

As in years past, with changes in the BAQ (now BAH Type II) rate due to the legislative pay change, members currently in inadequate quarters must have a new Personnel Action submitted to reflect the new rental charge. The transaction:

0 Must have an effective date of 1 January 1998.

0 must be submitted prior to 19 March 1998.

Reminder:        You can use SDA II reports function to obtain a listing of members' BAQ codes.

This following procedure should be used to change a member's rental charge for inadequate quarters in SDA II.

Once logged on to the system select:

- (A) Regular Events Menu,
  - (J) Pay Actions Menu,
  - (B) Pay Adjustments menu,
  - (A) Start/Resume Pay and Allowances Menu. Fill in the SSN, Bring up screen 2 of 2, enter a "Y" to select the "Change Rental Charge for Inadequate Govt Qtrs?" transaction, press <GO> or <Fl>, then fill in the appropriate information according to the rules in reference (b).
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Validations/  
Surveys

Rules for the submission of the BAQ Dependency Determination/ Verification Form (CG-4170A) still apply. The CG-4170A must continue to be validated annually. Annual validation of housing costs on Form CG-5507, however, will no longer be required.

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Questions

Questions should be referred to HRSIC Customer Service Team at 913-357-3540.

Released by /s/

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Executive Officer